



Minnesota Association for
Rural Telecommunications

July 2, 2007

The Honorable Kevin Martin
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

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Dear Chairman Martin:

On behalf of the 70+ local independent telephone companies in Minnesota that are our members, we are writing to urge the FCC to move with all dispatch in addressing the Federal-State Joint Board's decision of May 1st on Universal Service. Its proposed recommended decision is essential for the long-term viability of the Universal Service Fund.

It is obvious to even the casual observer that the patient (the USF) is injured and needs surgery in order to recover. However, at this point the patient first needs triage in order to stop the bleeding so that the doctors (the FCC) can have the time that they will need to perform life-sustaining surgery on the patient. That triage means placing an interim cap on the competitive eligible telecommunications carrier (CETC) portion of the Fund in order to stop the hemorrhaging. This is where the explosive growth in the fund has occurred and where the patient is bleeding profusely.

In contrast, the historic portion of the Fund that supports incumbent providers has remained flat or even declined over the last 5 years. Its vital signs are good. However, because of the rupture and bleeding in the CETC portion of the fund, the entire fund is at risk, placing affordable telecommunications services in rural America in jeopardy.

The patient needs your immediate emergency attention in order for you to be able to have the time that you need to do corrective surgery for the long-term viability of the fund. Please act quickly to support the Federal-State Joint Board Recommended Decision.

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Thank you for considering these comments and recognizing the importance of the USF to the economic viability of our rural communities.

Sincerely,



Mike Nowick
President/CEO
Minnesota Telecom Alliance

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